

Regular Session, 2010

SENATE BILL NO. 134

BY SENATOR B. GAUTREAUX

RETIREMENT SYSTEMS. Provides relative to the Public Retirement Systems' Actuarial Committee. (7/1/10)

AN ACT

To amend and reenact R.S. 11:104 and Chapter 3 of Subtitle I of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 11:121 through 127, relative to the Public Retirement Systems' Actuarial Committee; to provide relative to membership, officers, meetings, duties, and staffing of the committee; to provide for an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:104 and Chapter 3 of Subtitle I of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 11:121 through 127, are hereby amended and reenacted to read as follows:

§104. Employer contributions; determination date; notification

A. The employer contribution rate as referred to in this Subpart shall be determined by the Public Retirement Systems' Actuarial Committee ~~by the fifteenth~~ **as soon as practicable after the first** day of January **but no later than the last Monday in February** of each year for those systems that have a fiscal year ending on the thirtieth day of June.

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§121. Creation; purpose

(2) The Public Retirement Systems' Actuarial Committee shall be moved from the Department of the Treasury to the Louisiana Legislature effective July 1, 2010.

§122. Committee; membership

(2) The commissioner of administration, ex officio, or his designee, as a

1 voting member.

2 (3) The legislative ~~actuary~~ **auditor**, ex officio, ~~if any, or the~~ his designee of
3 ~~the legislative auditor~~, as a voting member.

4 (4) An actuary who represents the state retirement systems, selected by a
5 majority of the directors of the state retirement systems, as a voting member.

6 (5) An actuary who represents the statewide retirement systems, selected by
7 a majority of the directors of the statewide retirement systems, as a voting member.

8 ~~(6) Repealed by Acts 2001, No. 154, §2, eff. July 1, 2001.~~

9 ~~(7)~~(6) The president of the Senate, ex officio, or his designee, as a voting
10 member.

11 ~~(8)~~(7) The speaker of the House of Representatives, ex officio, or his designee,
12 as a voting member.

13 §123. Compensation and expenses

14 The members of the committee shall serve without compensation, except for
15 the legislative members, who shall receive their per diem as for attendance at any
16 other legislative meeting, and from the same source.

17 §124. Quorum

18 Six voting members of the committee shall constitute a quorum for the
19 transaction of official business. All official actions of the committee shall require the
20 approval of a majority of the members present and voting **unless a greater number**
21 **is specified by statute.**

22 §125. Meetings

23 The committee shall meet ~~quarterly and may meet more frequently~~ as
24 necessary, and shall assist and report to the ~~Joint Legislative Retirement Committee~~
25 **House and Senate committees on retirement and the Joint Legislative Committee**
26 **on the Budget.**

27 §126. Officers

28 The members shall elect ~~biannually~~, **biennially** from their membership, a
29 ~~chairperson~~ **chair** and a ~~vice-chairperson~~ **vice chair**, and such other officers as the

1 committee may deem advisable. No member shall serve as ~~chairman~~ chair for more
2 than four consecutive years.

3 §127. Duties

4 A. The committee shall review and study, on a continuing basis, actuarial
5 assumptions, funding methods, the unfunded liability determined by those methods,
6 the amortization methods to reduce such unfunded liability, and such other matters
7 as the committee deems appropriate. It shall make recommendations, subject to the
8 unanimous approval of the committee, to the retirement systems, plans, ~~or~~ and funds
9 and to the ~~Joint Legislative Retirement Committee~~ House and Senate committees
10 on retirement and the Joint Legislative Committee on the Budget.

11 B. The committee shall adopt, each year, an official valuation of each ~~State~~
12 ~~and Statewide~~ state or statewide public retirement system which shall be derived and
13 revised only as provided in this Section.

14 C. The actuaries for the public retirement systems, plans, ~~or~~ and funds and for
15 the legislative ~~actuary~~ auditor shall submit annual actuarial valuations to the
16 committee. The committee shall review and analyze all the assumptions and
17 valuations submitted. The committee shall, with the consent of a majority of members
18 present and voting, approve a single valuation for each public retirement system, plan,
19 or fund. Once consent of the members is obtained, the actuarial valuations in the form
20 of the official valuations adopted by the committee shall be submitted to the ~~Joint~~
21 ~~Legislative Retirement Committee~~ House and Senate committees on retirement and
22 the Joint Legislative Committee on the Budget.

23 D. Each agency represented by a member of the committee shall provide
24 clerical staff and clerical support as requested by any member of the committee
25 in fulfillment of the duties of the committee.

26 Section 2. This Act shall become effective on July 1, 2010; if vetoed by the governor
27 and subsequently approved by the legislature, this Act shall become effective on July 1, 2010,
28 or on the day following such approval by the legislature, whichever is later.

The original instrument was prepared by Laura Gail Sullivan. The following digest, which does not constitute a part of the legislative instrument, was prepared by Tammy Crain-Waldrop.

DIGEST

B. Gautreaux (SB 134)

Present law provides for the Public Retirement Systems' Actuarial Committee (PRSAC). Provides that PRSAC is an entity created to advise and coordinate the development of orderly and consistent strategies for attaining and maintaining the actuarial soundness of the state and statewide public retirement and pension systems, plans, and funds.

Proposed law retains present law.

Present law requires PRSAC to determine employer contribution rates for 11 of the 13 state and statewide retirement systems by Jan. 15th each year.

Proposed law requires PRSAC to determine employer contribution rates for those retirement systems as soon as practicable after Jan. 1st by no later than the last Monday in February each year.

Present law provides that PRSAC is created within the Dept. of the Treasury. Provides that PRSAC shall advise the Joint Legislative Retirement Committee of all findings and recommendations.

Proposed law moves PRSAC from the Dept. of the Treasury to the legislature.

Proposed law provides for PRSAC to report findings and recommendations to the House and Senate retirement committees and the Joint Legislative Committee on the Budget.

Present law provides that PRSAC has seven members, including the legislative actuary, ex officio if any, or the designee of the legislative auditor.

Proposed law changes this reference to the legislative auditor, ex officio, or his designee.

Present law provides that all official actions by PRSAC shall require the approval of a majority of members present and voting.

Proposed law retains present law and specifies that official actions may require approval of a larger number of members.

Present law requires PRSAC to meet quarterly. Provides that PRSAC shall assist and report to the Joint Legislative Retirement Committee.

Proposed law requires PRSAC to meet as necessary. Provides that PRSAC shall assist and report to the House and Senate retirement committees and the Joint Legislative Committee on the Budget.

Present law provides that PRSAC shall elect officers biannually. Provides that no member shall serve as chair for more than four consecutive years.

Proposed law provides for election of officers biennially.

Present law provides for the duties of PRSAC. Provides for submission of reports and valuations adopted to the Joint Legislative Retirement Committee.

Proposed law retains present law. Changes bodies to which reports and valuations are

submitted to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget.

Proposed law provides that each agency represented by a member of PRSAC shall provide clerical staff and clerical support as requested by any PRSAC member.

Effective July 1, 2010.

(Amends R.S. 11:104 and 121 through 127)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Retirement to the original bill.

1. Provide that PRSAC shall determine employer contributions rates as employer contribution rates for certain retirement systems as soon as practicable after Jan. 1st by no later than the last Monday in February each year.
2. Specifies that each agency represented by a member of PRSAC shall provide clerical staff and clerical support as requested by any PRSAC member.

Senate Floor Amendments to engrossed bill.

1. Technical amendments.